



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 13, 2010

MEMORANDUM

TO: Patricia Carmona
Chief Compliance Officer

Joseph F. Stoltz
Assistant Staff Director

FROM: Christopher Hughey *feh*
Deputy General Counsel

Lawrence L. Calvert, Jr. *LC*
Associate General Counsel

Lorenzo Holloway *LH*
Assistant General Counsel
For Public Finance and Audit Advice

Albert Veldhuyzen *AV*
Attorney

SUBJECT: Interim Audit Report on Indiana Democratic Congressional Victory Committee
(LRA # 823)

The Office of General Counsel ("OGC") has reviewed the Interim Audit Report ("Proposed Report") on the Indiana Democratic Congressional Victory Committee ("Committee"). We concur with the findings in the Proposed Report (Finding 1—Misstatement of Financial Activity; Finding 2—Recordkeeping for Salaries, Wages, and Fringe Benefits of Allocable Employees).

In the Proposed Report's cover memorandum, the Audit Division requested comments on whether certain disbursements were correctly reported as operating expenditures. OGC has decided not to comment on this issue in the context of this particular audit. The issue does not meet the materiality threshold to be included as a finding in the Proposed Report. Therefore, commenting on this issue in connection with the Proposed Report would confuse the record in this particular audit. After discussions with you, we understand that you concur in this course of action. We appreciate that the Audit Division previewed this issue for us with a written summary in the cover memorandum because this summary will allow us to start considering the

issue should it arise in any future audits.¹ If you have any questions, please contact Albert R. Veldhuyzen, the attorney assigned to this audit.²

¹ We encourage the Audit Division to raise this issue, pursuant to Commission Directive 69, as a request for informal guidance or comments on a draft audit report for any audit for which the issue will be included as a finding, or for which the answer to the question will determine whether or not there is a finding.

² The Office of the General Counsel recommends that the Commission consider this document in Executive Session because the Commission may eventually decide to pursue an investigation of matters contained in the Proposed Report. 11 C.F.R. §§ 2.4(a) and (b)(6).